PETROVIETNAM GENERAL SERVICES JOINT STOCK COMPANY

INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2019

PETROVIETNAM GENERAL SERVICES JOINT STOCK COMPANY

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PETROVIETNAM GENERAL SERVICES JOINT STOCK COMPANY

CORPORATE INFORMATION

Business registration certificate	No. 4103005338 dated 29 September 2006 was initially issued by the Department of Planning and Investment of Ho Chi Minh City and the 18th amendment dated 23 May 2016	
Board of Management	Mr. Phung Tuan Ha	Chairman
	Ms. Le Thi Chien	Member
	Mr. Vu Tien Duong	Member
	Mr. Kim Kang Ho	Member
	Ms. Pham Thi Hong Diep	Member
Board of Internal Audit	Mr. Dao Van Dai	Chief Supervisor
	Mr. Le Anh Quoc	Vice Supervisor
	Ms. Nguyen Quynh Nhu	Vice Supervisor
	Mr. Hoang Dang Anh	Member
Board of Directors	Mr. Vu Tien Duong	General Director
	Mr. Ho Minh Viet	Deputy General Director
	Ms. Pham Thi Hong Diep	Deputy General Director
	Mr. Nguyen Thanh Tu	Deputy General Director
	Mr. Phan Quang Tuan Anh	Deputy General Director
Legal representative	Mr. Phung Tuan Ha	Chairman
Registered office	6th Floor, PetroVietnam Tower, No. 1 - 5 Le Duan Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam	
Auditor	PwC (Vietnam) Limited	

PETROVIETNAM GENERAL SERVICES JOINT STOCK COMPANY

STATEMENT OF THE RESPONSIBILITY OF THE CHAIRMAN IN RESPECT OF THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

The Chairman of the Board of Management ("the Chairman") of PetroVietnam General Services Joint Stock Company ("the parent Company") is responsible for preparing the interim consolidated financial statements of the parent Company and its subsidiaries (together, "the Corporation") which give a true and fair view of the interim consolidated financial position of the Corporation as at 30 June 2019, the interim consolidated results of its operations and its interim consolidated cash flows for the six-month period then ended. In preparing these interim consolidated financial statements, the Chairman is required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent; and
- prepare the interim consolidated financial statements on a going concern basis unless it is inappropriate to presume that the Corporation will continue in business.

The Chairman is responsible for ensuring that proper accounting records are kept which disclose, with reasonable accuracy at any time, the interim consolidated financial position of the Corporation and which enable the interim consolidated financial statements to be prepared which comply with the basis of accounting set out in Note 2 to the interim consolidated financial statements. The Chairman is also responsible for safeguarding the assets of the Corporation and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

APPROVAL OF THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

I hereby approve the accompanying interim consolidated financial statements as set out on pages 5 to 62 which give a true and fair view of the interim consolidated financial position of the Corporation as at 30 June 2018 and of the interim consolidated results of its operations and its interim consolidated cash flows for the six-month period then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on preparation and presentation of interim consolidated financial statements.

0300452060-C.T.C.P
TỔNG CÔNG TY
CỔ PHẦN
DỊCH VỤ
TỔNG HỢP
DẦU KHÍ
TP. HỒ CHÍ MINH

Phung Tuan Ha
Chairman

Ho Chi Minh City, SR Vietnam
26 August 2019

pwc

REPORT ON REVIEW OF INTERIM CONSOLIDATED FINANCIAL INFORMATION TO THE SHAREHOLDERS OF PETROVIETNAM GENERAL SERVICES JOINT STOCK COMPANY

We have reviewed the accompanying interim consolidated financial statements of PetroVietnam General Services Joint Stock Company ("the parent Company") and its subsidiaries (together, "the Corporation") which were prepared on 30 June 2019, and approved by the Chairman on 26 August 2019. The interim consolidated financial statements comprise the interim consolidated balance sheet as at 30 June 2018, the interim consolidated income statement and the interim consolidated cash flow statement for the six-month period then ended, and explanatory notes to the interim consolidated financial statements including significant accounting policies, as set out on pages 5 to 62.

The Chairman's Responsibility

The Chairman is responsible for the preparation and the true and fair presentation of these interim consolidated financial statements in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on preparation and presentation of interim consolidated financial statements and for such internal control which the Chairman determines necessary to enable the preparation and fair presentation of the interim consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on this interim consolidated financial statements based on our review. We conducted our review in accordance with Vietnamese Standard on Review Engagements 2410, *"Review of Interim Financial Information Performed by the Independent Auditor of the Entity."*

A review of interim consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Vietnamese Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

PwC (Vietnam) Limited
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Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim consolidated financial statements do not present fairly, in all material respects, the interim consolidated financial position of the Corporation as at 30 June 2019, its interim consolidated financial performance and interim consolidated cash flows for the six-month period then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on preparation and presentation of interim consolidated financial statements.

Other Matter

The report on review of interim consolidated financial information is prepared in Vietnamese and English. Should there be any conflict between the Vietnamese and English copies, the Vietnamese copy shall take precedence.

For and on behalf of PwC (Vietnam) Limited

M.S.D.N: 0100157406-C.T.T.N.H.H
CÔNG TY TNHH PWC (VIỆT NAM)
QUẬN 1 - T.P HỒ CHÍ MINH

Mai Viet Hung Tran
Audit Practising Licence No. 0048-2018-006-1
Authorised signatory

Report reference number: HCM8596
Ho Chi Minh City, 26 August 2019

PETROVIETNAM GENERAL SERVICES JOINT STOCK COMPANY

Form B 01a – DN/HN

INTERIM CONSOLIDATED BALANCE SHEET

Code	ASSETS	Notes	As at 30.6.2019 VND	As at 31.12.2018 VND
100	**CURRENT ASSETS**		**3,612,639,607,066**	**4,330,671,814,214**
110	**Cash and cash equivalents**	4	**531,453,830,974**	**1,038,281,209,462**
111	Cash		289,549,667,070	348,751,510,692
112	Cash equivalents		241,904,163,904	689,529,698,770
120	**Short-term investments**		**30,168,100,940**	**28,011,800,000**
121	Short term investments		186,138	-
122	Provision for diminution in value of trading securities		(136,938)	-
123	Investments held-to-maturity	5(a)	30,168,051,740	28,011,800,000
130	**Short-term receivables**		**1,727,400,736,339**	**1,847,136,673,354**
131	Short-term trade accounts receivable	6	1,483,137,673,647	1,602,337,603,339
132	Short-term prepayments to suppliers	7	207,637,715,505	193,713,174,336
136	Other short-term receivables	8	180,822,726,308	187,633,232,862
137	Provision for doubtful debts – short-term	9	(144,197,379,121)	(136,547,337,183)
140	**Inventories**	10	**1,080,776,239,466**	**1,005,806,038,013**
141	Inventories		1,102,857,522,228	1,034,126,786,928
149	Provision for decline in value of inventories		(22,081,282,762)	(28,320,748,915)
150	**Other current assets**		**242,840,699,347**	**411,436,093,385**
151	Short-term prepaid expenses		9,127,561,210	8,522,285,940
152	Value added tax ("VAT") to be reclaimed	11(a)	229,282,584,817	400,786,975,549
153	Tax and other receivables from the State Budget	11(a)	2,214,406,731	2,126,831,896
155	Other current assets		2,216,146,589	-

The notes on pages 10 to 62 are an integral part of these interim consolidated financial statements.

INTERIM CONSOLIDATED BALANCE SHEET (continued)

Code	ASSETS	Notes	As at 30.6.2019 VND	As at 31.12.2018 VND
200	**LONG-TERM ASSETS**		**1,221,025,034,985**	**1,232,389,760,023**
210	**Long-term receivable**		**7,349,535,212**	**8,162,504,752**
211	Long-term trade accounts receivable		1,381,999,964	-
216	Other long-term receivables		7,349,535,212	8,162,504,752
219	Provision for doubtful receivables – long-term		(1,381,999,964)	-
220	**Fixed assets**		**186,142,918,462**	**190,496,727,093**
221	Tangible fixed assets	12(a)	83,620,460,052	87,993,861,420
222	Historical cost		333,881,418,211	327,863,935,080
223	Accumulated depreciation		(250,260,958,159)	(239,870,073,660)
227	Intangible fixed assets	12(b)	102,522,458,410	102,502,865,673
228	Historical cost		107,079,834,632	106,860,184,632
229	Accumulated amortisation		(4,557,376,222)	(4,357,318,959)
230	**Investment properties**	13	**737,716,836,957**	**758,428,814,929**
231	Historical cost		858,194,158,578	858,194,158,578
232	Accumulated depreciation		(120,477,321,621)	(99,765,343,649)
240	**Long-term asset in progress**		**38,518,494,154**	**38,512,494,154**
242	Construction in progress	14	38,518,494,154	38,512,494,154
250	**Long-term investments**		**40,390,740,358**	**22,705,237,055**
252	Investments in associates	5(b)	31,126,006,721	15,474,289,268
253	Investments in other entities	5(c)	29,450,000,000	28,910,000,000
254	Provision for long-term investments	5(c)	(22,160,000,000)	(22,160,000,000)
255	Investments held-to-maturity		1,974,733,637	480,947,787
260	**Other long-term assets**		**210,906,509,842**	**214,083,982,040**
261	Long-term prepaid expenses	15	199,428,641,092	198,530,067,519
262	Deferred income tax assets	16	-	3,310,854,521
269	Goodwill	17	11,477,868,750	12,243,060,000
270	**TOTAL ASSETS**		**4,833,664,642,051**	**5,563,061,574,237**

The notes on pages 10 to 62 are an integral part of these interim consolidated financial statements.

PETROVIETNAM GENERAL SERVICES JOINT STOCK COMPANY

Form B 01a – DN/HN

INTERIM CONSOLIDATED BALANCE SHEET
(continued)

Code	RESOURCES	Note	As at 30.6.2019 VND	As at 31.12.2018 VND
300	**LIABILITIES**		**3,212,956,812,935**	**3,942,652,024,730**
310	**Short-term liabilities**		**2,859,422,168,552**	**3,557,079,155,532**
311	Short-term trade accounts payable	18	1,121,985,151,162	1,428,095,256,213
312	Short-term advances from customers	19	116,236,520,075	89,349,766,737
313	Taxes and other payables to the State Budget	11(b)	26,049,364,818	29,801,737,904
314	Payable to employees		55,470,248,518	81,425,763,820
315	Short-term accrued expenses	20	26,814,297,422	28,345,497,684
318	Short-term unearned revenue	21(a)	27,828,439,104	31,870,171,186
319	Other short-term payables	22(a)	172,392,908,123	179,413,912,692
320	Short-term borrowings	22(a)	1,236,849,413,962	1,614,290,757,720
322	Bonus and welfare fund	24	75,795,825,368	74,486,291,576
330	**Long-term liabilities**		**353,534,644,383**	**385,572,869,198**
336	Long-term unearned revenue	21(b)	34,090,909,115	47,727,272,747
337	Other long-term payables	22(b)	50,743,765,279	54,635,171,676
338	Long-term borrowings	23(b)	265,399,969,989	279,910,424,775
341	Deferred income tax liabilities	16	3,300,000,000	3,300,000,000
400	**OWNERS' EQUITY**		**1,620,707,829,116**	**1,620,409,549,507**
410	**Capital and reserves**		**1,620,707,829,116**	**1,620,409,549,507**
411	Owners' capital	25, 26	866,001,240,000	866,001,240,000
411a	*- Ordinary shares with voting rights*		*866,001,240,000*	*866,001,240,000*
412	Share premium	26	133,918,052,614	133,918,052,614
414	Owners' other capital	26	90,880,000,000	90,820,087,775
415	Treasury shares	26	(50,118,432,974)	(50,118,432,974)
418	Investment and development fund	26	272,167,291,300	172,453,174,126
421	Undistributed earnings	26	134,438,549,416	264,287,335,590
421a	*- Undistributed post-tax profits of previous years*		*72,659,088,390*	*200,269,009,711*
421b	*- Post-tax profit of this current period/year*		*61,779,461,026*	*64,018,325,879*
429	Non-controlling interests	27	173,421,128,760	143,048,092,376
440	**TOTAL RESOURCES**		**4,833,664,642,051**	**5,563,061,574,237**

Pham Thi Ninh	Nguyen Thi Thanh	Phung Tuan Ha
Preparer	Chief Accountant	Chairman
		26 August 2019

The notes on pages 10 to 62 are an integral part of these interim consolidated financial statements.

PETROVIETNAM GENERAL SERVICES JOINT STOCK COMPANY

Form B 02a – DN/HN

INTERIM CONSOLIDATED INCOME STATEMENT

Code		Note	For the six-month period ended 30 June 2019 VND	2018 VND
01	**Revenue from sales of goods and rendering of services**		**4,923,809,940,494**	**4,925,045,414,239**
02	Less deductions		(58,614,505,416)	(70,375,906,868)
10	**Net revenue from sales of goods and rendering of services**	31	**4,865,195,435,078**	**4,854,669,507,371**
11	**Cost of goods sold and services rendered**	32	**(4,571,436,318,230)**	**(4,531,474,055,917)**
20	**Gross profit from sales of goods and rendering of services**		**293,759,116,848**	**323,195,451,454**
21	Financial income	33	18,210,791,386	36,743,550,361
22	Financial expenses	34	(36,333,795,537)	(51,633,017,725)
23	*- Including: Interest expense*		*(34,108,684,682)*	*(47,608,710,774)*
24	(Loss)/profit sharing from investments in associates	5(b)	(348,282,547)	138,940,023
25	Selling expenses	35	(112,718,851,202)	(122,617,484,599)
26	General and administration expenses	36	(65,634,488,881)	(92,588,199,602)
30	**Net operating profit**		**96,934,490,067**	**93,239,239,912**
31	Other income		5,335,974,942	4,842,176,487
32	Other expenses		(1,685,352,899)	(2,283,748,812)
40	**Net other income**	37	**3,650,622,043**	**2,558,427,675**
50	**Net accounting profit before tax**		**100,585,112,110**	**95,797,667,587**
51	**Business income tax ("BIT") - current**	38	**(20,157,709,039)**	**(25,521,652,034)**
52	**BIT - deferred**	16, 38	**(3,310,854,521)**	**-**
60	**Net profit after tax**		**77,116,548,550**	**70,276,015,553**
	Attributable to:			
61	**Shareholders of the parent Company**		**61,779,461,026**	**61,346,420,933**
62	**Non-controlling interests**		**15,337,087,524**	**8,929,594,620**
71	**Basic earnings per share**	29(a)	**687**	**648**
72	**Diluted earnings per share**	29(b)	**687**	**648**

TỔNG CÔNG TY CỔ PHẦN DỊCH VỤ TỔNG HỢP DẦU KHÍ

Pham Thi Ninh Preparer	Nguyen Thi Thanh Chief Accountant	Phung Tuan Ha Chairman 26 August 2019

The notes on pages 10 to 62 are an integral part of these interim consolidated financial statements.

INTERIM CONSOLIDATED CASH FLOW STATEMENT
(Indirect method)

Code		Note	For the six-month period ended 30 June 2019 VND	2018 VND
	CASH FLOWS FROM OPERATING ACTIVITIES			
01	**Net accounting profit before tax**		**100,585,112,110**	**95,797,667,587**
	Adjustments for:			
02	Depreciation, amortisation and allocation of goodwill		32,246,111,750	33,959,887,796
03	Provisions		1,410,575,785	35,062,331,172
04	Unrealised foreign exchange losses		720,561,114	667,833,997
05	Profits from investing activities		(13,596,231,915)	(35,013,769,929)
06	Interest expense		34,108,684,682	47,608,710,774
08	**Operating profit before changes in working capital**		**155,474,813,526**	**178,082,661,397**
09	Decrease in receivables		317,974,303,773	289,299,803,473
10	(Increase)/decrease in inventories		(56,494,943,249)	127,854,937,361
11	Decrease in payables		(314,564,633,091)	(140,674,357,216)
12	(Increase)/decrease in prepaid expenses		(1,426,476,043)	10,616,186,907
14	Interest paid		(37,123,861,206)	(46,177,614,972)
15	BIT paid		(28,295,622,922)	(34,327,782,643)
17	Other payments on operating activities		(5,498,884,150)	(5,500,708,300)
20	**Net cash inflows from operating activities**		**30,044,696,638**	**379,173,126,007**
	CASH FLOWS FROM INVESTING ACTIVITIES			
21	Purchases and construction of fixed assets and other long-term assets		(2,184,236,364)	(35,698,849,747)
22	Proceeds from disposals of fixed assets and other long-term assets		474,090,909	1,970,682,755
23	Term deposits placed at banks		(1,493,785,850)	(28,785,747,787)
24	Term deposits collected		-	28,244,800,000
25	Investments in other entities		(14,711,921,243)	-
27	Dividends and interests received		15,586,721,254	33,880,055,009
30	**Net cash outflows from investing activities**		**(2,329,131,294)**	**(389,059,770)**
	CASH FLOWS FROM FINANCING ACTIVITIES			
31	Proceeds from issue of shares		3,400,000,000	-
32	Payments for share repurchases		-	(1,876,816,402)
33	Proceeds from borrowings		2,651,508,337,052	3,276,221,781,273
34	Repayments of borrowings		(3,077,679,255,132)	(3,486,346,438,691)
36	Dividends paid		(111,810,580,686)	(124,596,349,245)
40	**Net cash outflows from financing activities**		**(534,581,498,766)**	**(336,597,823,065)**
50	**Net (decrease)/increase in cash and cash equivalents**		**(506,865,933,422)**	**42,186,243,172**
60	**Cash and cash equivalents at beginning of period**	4	**1,038,281,209,462**	**1,342,345,339,986**
61	Effect of foreign exchange differences		38,554,934	262,378,186
70	**Cash and cash equivalents at end of period**	4	**531,453,830,974**	**1,384,793,961,344**

The major non-cash transactions are presented in Note 40.

S.Đ.K.K.D: 0300452060 - C.T.C.P. TỔNG CÔNG TY CỔ PHẦN DỊCH VỤ TỔNG HỢP DẦU KHÍ QUẬN 1 TP. HỒ CHÍ MINH

Pham Thi Ninh	Nguyen Thi Thanh	Phung Tuan Ha
Preparer	Chief Accountant	Chairman
		26 August 2019

The notes on pages 10 to 62 are an integral part of these interim consolidated financial statements.

1 GENERAL INFORMATION

PetroVietnam General Services Joint Stock Company ("the parent Company") was established in SR Vietnam pursuant to Business registration certificate No. 4103005338 dated 29 September 2006 and the 18th amendment dated 23 May 2016 which were issued by the Department of Planning and Investment of Ho Chi Minh City. The parent Company was transformed from PetroVietnam Tourism and Services Company, a wholly state-owned subsidiary of Vietnam Oil and Gas Corporation ("the Group" or "PVN").

The parent Company's shares were officially listed on Ho Chi Minh City Stock Exchange ("HOSE") on 12 September 2007 with stock symbol "PET" pursuant to Decision No. 94/QD-SGDHCM issued by the General Director of the HOSE on 13 August 2007.

The principal activities of the parent Company and its subsidiaries (together, "the Corporation") include:

- Trading plastic resins, textile fibers, and cassava;
- Support and management services and human resources services;
- Lease of warehouse, workshops, premises and office;
- Wholesale of computers and equipment;
- Trading of telecommunication equipment;
- Supply of specialised materials and equipment in oil and gas industry;
- Heavy transportation and lifting services;
- Catering services and commodities for oil and gas industry;
- LPG trading and distributing, gas filling;
- Real estate trading and management; and
- Property management (offices, hotels, residential, projects etc.).

The normal business cycle of the Corporation is within 12 months.

As at 30 June 2019, the Corporation had 2,489 employees (as at 31 December 2018: 2,450 employees).

As at 30 June 2019, the Corporation had 11 direct subsidiaries, 4 indirect subsidiaries, 2 direct associates and 1 indirect associate are presented as follows:

1 GENERAL INFORMATION (continued)

Name	Place of incorporation	Principal activities	30.6.2019 Voting right %	30.6.2019 Ownership %	31.12.2018 Voting right %	31.12.2018 Ownership %
I - Direct subsidiaries						
Petroleum General Distribution Services Joint Stock Company ("PSD")	Ho Chi Minh City	Distribution of telecommunication and electronic equipment	80.04	80.04	80.04	80.04
Petroleum Offshore Trading and Services Company Limited ("POTS")	Ho Chi Minh City	Trading and rendering of services	60	60	60	60
Petroleum Vung Tau General Services Joint Stock Company ("PSV")	Vung Tau	Rendering of services	70	70	70	70
Mien Trung Petroleum Services and Trading Joint Stock Company ("PSMT")	Quang Ngai	Trading and rendering of services	99.79	99.79	99.79	99.79
PetroVietnam Assets Management Joint Stock Company ("PSA")	Ha Noi	Operating in property management and services	71.46	71.46	78.61	78.61
Petrosetco SSG Company Limited ("PSSSG") (i)	Ho Chi Minh City	Real estate business	51	21.46	51	21.46
Smart Convergence Joint Stock Company ("Smartcom")	Ho Chi Minh City	Distributing equipment, electronic, components, peripheral devices and software	55	55	55	55
Petrosetco Retail Services Joint Stock Company ("PSR")	Ho Chi Minh City	Retail of mobile phones	75	72.75	75	72.75
Petroleum Logistics Service Joint Stock Company ("PSL") (ii)	Ho Chi Minh City	Marine transportation service	67	44	67	44
Petroleum High Technology Products Distribution Joint Stock Company ("PHTD")	Ho Chi Minh City	Distributing equipment, electronic components and peripheral devices	51	51	51	51
Petroleum Saigon General Services Company Limited ("PSG") (iii)	Ho Chi Minh City	Stopped operations and on liquidation process	100	100	100	100

1 GENERAL INFORMATION (continued)

Name	Place of incorporation	Principal activities	30.6.2019 Voting right %	30.6.2019 Ownership %	31.12.2018 Voting right %	31.12.2018 Ownership %
II – Indirect subsidiaries						
Binh Minh Electronics Refrigeration Joint Stock Company ("Binh Minh")	Ho Chi Minh City	Trading of electronic devices, refrigeration appliances and electronic household appliances	51	40.81	51	40.81
Nha Trang Petroleum Services Trading Company Limited ("Nha Trang PST")	Nha Trang	Wholesale of solid, liquid and gaseous fuels and related products	100	99.79	100	99.79
Petrosetco - ALE Heavy Transportation and Lifting Joint-stock Company ("Petrosetco - Ale") (iii)	Ho Chi Minh City	Providing heavy transportation and lifting services	51	22.44	51	22.44
Green Technology Import Export Joint Stock Company ("Green Technology") (iv)	Ho Chi Minh City	Trading of medical equipment and supplies	50	40.02	-	-
III – Direct associates						
Petro Tower Limited Company	Ba Ria - Vung Tau	Office for lease	24	24	24	24
Vinh Hoa Emerald Bay International Hospitality Company Limited (v)	Phu Yen	Hospitality service	20	20	-	-
IV – Indirect associates						
Vietecom Digital Trade and Investment Joint Stock Company ("Vietecom") (vi)	Ha Noi	Trading of electronic components, information technology, technology transfer services and delivery services	20	16	20	16

1 GENERAL INFORMATION (continued)

(i) As at 30 June 2019 and as at 31 December 2018, although the Corporation's ownership in PSSSG was only 21.46%, the Corporation still had the authority to exercise its power over the financial and operational policies of PSSSG through its representatives in the Board of Management of PSSSG. Therefore, the Corporation controls PSSSG and PSSSG has been classified and presented as a subsidiary of the Corporation for the interim consolidation reporting purpose.

(ii) As at 30 June 2019 and as at 31 December 2018, although the Corporation's ownership in PSL was only 44%, the Corporation still had the authority to exercise its power over the financial and operational policies of PSL through its representatives in the Board of Management of PSL. Therefore, the Corporation controls PSL and PSL has been classified and presented as a subsidiary of the Corporation for the interim consolidation reporting purpose.

(iii) Currently, PSG is under tax finalisation with the tax authorities for the dissolution purpose. From 2013 until now, PSG has had no business activities incurred.

(iv) According to Resolution No. 09/NQ-PSD-HDQT dated 8 May 2019, PSD, a subsidiary, agreed to buy the new shares issued by Green Technology, with the charter capital of VND10 billion, accounting for 50% of the voting right and ownership, equivalent to 40.02% of the voting right of the parent Company. As at 30 June 2019, although the Corporation's ownership in Green Technology was only 40.02%, the Corporation still had the authority to exercise its power over the financial and operational policies of Green Technology through its representatives in the Board of Management of Green Technology. Therefore, the Corporation controls Green Technology and Green Technology has been classified and presented as a subsidiary of the Corporation for the interim consolidation reporting purpose.

(v) According to Resolution No. 22/DVTHDK-QD dated 9 July 2018, the Corporation agreed to contribute its capital obligation into Vinh Hoa Emerald Bay International Hospitality Company Limited with the charter capital of VND111.2 billion, accounting for 20% of the voting right and ownership. As at 30 June 2019, the Corporation contributed VND16 billion.

(vi) Vietecom is in liquidation progress.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation of interim consolidated financial statements

The interim consolidated financial statements have been prepared in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on preparation and presentation of interim consolidated financial statements. The interim consolidated financial statements have been prepared under the historical cost convention.

The accompanying interim consolidated financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles and practices generally accepted in countries and jurisdictions other than Vietnam. The accounting principles and practices utilised in Vietnam may differ from those generally accepted in countries and jurisdictions other than Vietnam.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.1 Basis of preparation of interim consolidated financial statements (continued)

The interim consolidated financial statements in Vietnamese language are the official statutory interim consolidated financial statements of the Corporation. The interim consolidated financial statements in English language have been translated from the Vietnamese language interim consolidated financial statements.

2.2 Fiscal year

The Corporation's fiscal year is from 1 January to 31 December. The interim consolidated financial statements are prepared for the period from 1 January to 30 June.

2.3 Currency

The interim consolidated financial statements are measured and presented using Vietnamese Dong ("VND").

Transactions arising in foreign currencies are translated at exchange rates ruling at the transaction dates. Foreign exchange differences arising from these transactions are recognised in the interim consolidated income statement.

Monetary assets and liabilities denominated in foreign currencies at the interim consolidated balance sheet date are respectively translated at the buying and selling exchange rates at the interim consolidated balance sheet date of the commercial banks where the Corporation regularly trades. Foreign currencies deposited in banks at the interim consolidated balance sheet date are translated at the buying exchange rate of the commercial banks where the Corporation opens the foreign currency accounts. Foreign exchange differences arising from these translations are recognised in the interim consolidated income statement.

2.4 Basis of consolidation

Subsidiaries

Subsidiaries are all entities over which the Corporation has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Corporation controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Corporation. They are de-consolidated from the date that control ceases.

The purchase method of accounting is used to account for the acquisition of subsidiaries by the Corporation. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any non-controlling interest. The excess of the cost of acquisition over the fair value of the Corporation's share of the identifiable net assets acquired is recorded as goodwill. If the cost of acquisition is less than the fair value of the net assets of the subsidiary acquired, the difference is recognised directly in the interim consolidated income statement.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.4 Basis of consolidation (continued)

Subsidiaries (continued)

Inter-company transactions, balances and unrealised gains and losses on transactions between Corporation companies are eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Corporation.

Non-controlling transactions and interests

The Corporation applies a policy of treating transactions with non-controlling interests ("NCI") as transactions with parties external to the Corporation.

NCI are measured at their proportionate share of the acquiree's identifiable net assets at date of acquisition.

Changes in the Corporation's interest in a subsidiary that do not result in a loss of control are accounted for as transactions with owners. The difference between the change in the Corporation's share of net assets of the subsidiary and any consideration paid or received is recorded directly in the undistributed earnings under equity.

Associates

Associates are all entities over which the Corporation has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting and are initially recognised at cost. The Corporation's investment in associates includes goodwill identified on acquisition, net of any accumulated impairment loss.

The Corporation's share of its associates' post-acquisition profits or losses is recognised in the interim consolidated income statement, and its share of post-acquisition movements in reserves is recognised in consolidated reserves. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the Corporation's share of losses in an associate equals or exceeds its interest in the associate, the Corporation does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Corporation.

Unrealised gains and losses on transactions between the Corporation and its associates are eliminated to the extent of the Corporation's interest in the associates. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Corporation.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.5 Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the Corporation's share of the net identifiable assets of the acquired subsidiary/ associate at the date of acquisition as accordance with current accounting requirements. Goodwill on acquisitions of subsidiaries is recognised as an asset and is amortised on the straight-line basis over its estimated period of benefit but not exceed 10 years.

Goodwill on acquisitions of investments in associates is included in the carrying amount of the investments at the date of acquisition. The Corporation does not amortise this goodwill.

On disposal of the investments in subsidiaries or associates, the attributable amount of unamortised goodwill is included in the determination of the profit or loss on the disposal.

Goodwill is tested annually for impairment and carried at cost less accumulated amortisation less accumulated impairment losses. If there is evidence that the impairment during the period/year is higher than the annual goodwill charge, the Corporation records the impairment immediately in the accounting period/year.

2.6 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, cash at bank, cash in transit, demand deposits and other short-term investments with an original maturity of three months or less.

2.7 Trade receivables

Trade receivables are carried at the original invoice amount less an estimate made for doubtful receivables based on a review by the Chairman of all outstanding amounts at the period/year end. Bad debts are written off when identified.

2.8 Inventories

Inventories include properties for sales being constructed for sale under the ordinary course of business, rather than to be held for rental or capital appreciation; merchandise; and other inventories.

Inventories are stated at the lower of cost and net realisable value. Cost of properties for sales includes land costs and construction costs of infrastructure, other direct and overhead expenses. Cost of other inventories includes all costs of purchase and other costs incurred in bringing the inventories to their present location and condition.

Cost is determined by the specific dentification method for plastic resins and by the weighted average method for other inventories. Net realisable value represents the estimated selling price less all estimated costs to completion and costs to be incurred in marketing, selling and distribution.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.8 Inventories (continued)

The Corporation applies the perpetual method for inventories.

Provision is made, where necessary, for obsolete, slow-moving and defective inventory items. The difference between the provision of this period/year and the provision of the previous period/year are recognised as an increase or decrease in operating expenses in the period/year.

2.9 Investments

(a) Investments held-to-maturity

Investments held-to-maturity are investments which the Chairman has positive intention and ability to hold until maturity.

Investments held-to-maturity include bank term deposits and other held-to-maturity investments. Those investments are accounted for at cost less provision.

Provision for diminution in value of investments held-to-maturity is made when there is evidence that part or the whole of the investments is uncollectible.

(b) Investments in other entities

Investments in other entities are investments in equity instruments of other entities without controlling rights or co-controlling rights, or without significant influence over the investee. The investments are initially recorded at cost.

Regarding long-term investments in listed shares or the long-term investments which its fair value can be determined reliably, the provision is made when the cost is higher than the market value. For other long-term investments, provision for diminution in value of these investments is made when the entities make losses, except when the loss was anticipated in their business plan before the date of investment.

2.10 Fixed assets

Tangible and intangible fixed assets

Fixed assets are stated at historical cost less accumulated depreciation/amortisation. Historical cost includes expenditure that is directly attributable to the acquisition of the fixed assets.

Depreciation and amortisation

Fixed assets are depreciated and amortised using the straight-line method so as to write off the cost of the assets over their estimated useful lives. The principal annual rates of each class of assets are as follows:

Buildings and structures	2% - 20%
Machinery and equipment	7% - 33%
Motor vehicles	10% - 33%
Office equipment	10% - 33%
Software	12.5% - 33%

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.10 Fixed assets (continued)

Depreciation and amortisation (continued)

Land use rights with indefinite useful life are recorded at historical cost and are not amortised.

Disposals

Gains or losses on disposals are determined by comparing net disposal proceeds with the carrying amount and are recognised as income or expense in the interim consolidated income statement.

Construction in progress

Properties in the course of construction for production, rental or administrative purposes, or for purposes not yet determined, are carried at cost. Cost includes professional fees and, for qualifying assets, borrowing costs dealt with in accordance with the Corporation's accounting policy. Depreciation of these assets, on the same basis as other fixed assets, commences when the assets are ready for their intended use.

2.11 Operating leases

Leases where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the interim consolidated income statement on a straight-line basis over the term of the lease.

2.12 Investment properties

Cost of an investment property means the amount of cash or cash equivalents paid or the fair value of other consideration given to acquire the investment property at the time of its acquisition or completion of construction.

Depreciation and amortisation

Investment properties are depreciated and amortised using the straight-line method to write off the cost of the assets over their estimated useful lives. The principal annual rates of each class of assets are as follows:

Land use rights	2%
Buildings	2% - 33%

Disposals

Gains or losses on disposals are determined by comparing net disposal proceeds with the net book value and are recognised as income or expense in the interim consolidated income statement.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.13 Prepaid expenses

Prepaid expenses include short-term or long-term prepayments on the interim consolidated balance sheet and are mainly prepaid office rental and prepaid warehouse rental. Prepaid expenses are recorded at historical cost and allocated to expenses using the straight line basis over the allocation period. In which, long-term prepaid expenses mainly includes prepaid gas cylinders; office rental; tools and supplies put into use.

The long-term prepayments of gas cylinders are allocated into the interim consolidated income statement on a straight-line basis over 10 years in accordance with Circular No. 118/2010/TT-BTC dated 10 August 2010 issued the Ministry of Finance – *Guidance on the financial and taxation regimes to entities trading liquefied petroleum gas.*

2.14 Payables

Classifications of payables are based on their nature as follows:

- Trade accounts payable are trade payables arising from purchase of goods and services; and
- Other payables including non-trade payables, and not relating to purchase of goods and services.

Payables are classified into long-term and short-term payables on the interim consolidated balance sheet based on remaining period from the interim consolidated balance sheet date to the maturity date.

2.15 Borrowing

Borrowings represent borrowings from banks.

Borrowings are classified into long-term and short-term based on remaining period from the interim consolidated balance sheet date to the maturity date.

Borrowing costs are recognized in the interim consolidated financial statements when incurred.

2.16 Accrued expenses

Accrued expenses include liabilities for goods and services received in the period/year but not yet paid due to pending invoice or insufficient records and documents. Accrued expenses are recorded as expenses in the reporting period/year.

2.17 Provisions

Provisions are recognised when the Corporation has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated. Provision is not recognised for future operating losses.

Provisions are measured at the expenditures expected to be required to settle the obligation. If the time value of money is material, provision will be measured at the present value using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as an interest expense.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.18 Unearned revenue

Unearned revenue mainly comprises the amounts that customers paid in advance for one or many accounting periods for asset leases. The Corporation records unearned revenue for the future obligations that the Corporation has to conduct.

2.19 Capital and reserves

(a) Owners' capital

Owners' capital is recorded according to actual amount contributed and is recorded according to par value of the share.

(b) Share premium

Share premium is the difference between the par value and the issue price of shares and the difference between the repurchase price and re-issuing price of treasury shares.

(c) Owners' other capital

Owners' other capital reflects other capital of owners at the reporting date.

(d) Treasury shares

Treasury shares are shares issued by the parent Company and bought-back by itself, but these are not cancelled and shall be re-issued in the period in accordance with the Law on securities.

(e) Undistributed earnings

Undistributed earnings record the Corporation's results after BIT at the reporting date.

2.20 Appropriation of net profit after BIT

Net profit after BIT could be distributed to shareholders after approval at General Meeting, and after appropriation to funds in accordance with the Corporation's charter and Vietnamese regulations.

Dividends are recognised as a liability in the interim consolidated financial statements in the period/year in which the dividends are approved by shareholders at the Annual General Meeting of Shareholders.

The Corporation's funds are as below:

(a) Investment and development fund

Investment and development fund is appropriated from net profit after BIT of the Corporation and approved by shareholders at the Annual General Meeting. This fund is used for expanding and developing the business of the Corporation.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.20 Appropriation of net profit after BIT (continued)

(b) Bonus and welfare fund

Bonus and welfare fund is appropriated from the Corporation's net profit after BIT and subject to shareholders' approval at the Annual General Meeting. This fund is used for rewarding and encouraging, enhancing the physical and mental well-being of the employees.

2.21 Revenue recognition

(a) Revenue from sales of goods

Revenue from sale of goods is recognised in the interim consolidated income statement when all five (5) following conditions are satisfied:

- The Corporation has transferred to the buyer the significant risks and rewards of ownership of the goods;
- The Corporation retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- The amount of revenue can be measured reliably;
- It is probable that the economic benefits associated with the transaction will flow to the Corporation; and
- The costs incurred or to be incurred in respect of the transaction can be measured reliably.

No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due or the possible return of goods.

Revenue is recognised based on principle of "substance over form" and allocated to each sales obligation. In case that the Corporation gives promotional goods to customers associated with customers' purchase, the Corporation allocates total consideration received for goods sold and promotional goods. Cost of promotional goods is recognised as cost of sales in the interim consolidated income statement.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.21 Revenue recognition (continued)

(b) Revenue from sale of real estate

Revenue from sale of real estate is recognised in the interim consolidated income statement when the real estate has been completed and the Corporation has transferred significant risks and rewards of ownership to the buyer. Revenue from sale of real estate is recognised in the interim consolidated income statement when all five (5) following conditions are satisfied:

- The real estate has been completed, and the Company has transferred to the buyer the significant risks and rewards of ownership of the real estate;
- The Corporation no longer holds the right to manage the real estate as the real estate's owner nor the right to control the real estate;
- The amount of revenue can be measured reliably;
- The Corporation has received or entitled to receive economic benefits from the sale of the real estate; and
- The costs incurred or to be incurred in respect of the real estate can be measured reliably.

(c) Revenue from rendering of services

Revenue from rendering of services is recognised in the interim consolidated income statement when the services are rendered, by reference to completion of the specific transaction assessed on the basis of the actual service provided as a proportion of the total services to be provided. Revenue from rendering of services is only recognised when all four (4) following conditions are satisfied:

- The amount of revenue can be measured reliably;
- It is probable that the economic benefits associated with the transaction will flow to the Corporation;
- The percentage of completion of the transaction at the interim consolidated balance sheet date can be measured reliably; and
- The costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

(d) Revenue from operating leases

Revenue from operating lease is recognised in the interim consolidated income statement on a straight-line method over the lease term.

(e) Interest income

Interest income is recognised on an earned basis.

(f) Income from dividend paid/profit shared

Income from dividend paid/profit shared is recognised when the Corporation has established the receiving right from investees.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.21 Revenue recognition (continued)

(g) Allocation of gas cylinders deposits

Gas cylinders deposits received from customers are allocated into the interim consolidated income statement on a straight-line basis over 10 years, which is in line with allocation of the long-term prepayments of gas cylinders (Note 2.13), following Circular No. 118/2010/TT-BTC dated 10 August 2010 issued by the Ministry of Finance – *Guidance on the financial and taxation regimes to entities trading liquefied petroleum gas.*

2.22 Sales deductions

Sales deductions include trade discounts, sales returns and allowances. Sales deductions incurred in the same period/year of the related sales of products, goods and services are recorded as deduction of revenue of that period/year.

Sales deductions for the products, goods or services which are sold in the period/year, but are incurred after the interim consolidated balance sheet date but before the issuance of the interim consolidated financial statements are recorded as deduction of revenue of the period/year.

2.23 Cost of goods sold and services rendered

Cost of goods sold and services rendered are cost of finished goods, merchandises, materials sold or services rendered during the period/year, and recorded on the basis of matching with revenue and on prudent concept.

2.24 Financial expenses

Financial expenses are expenses incurred in the period/year for financial activities including expenses or losses relating to financial investment activity, expenses of borrowing, provision for diminution in value of investments in other entities, losses incurred when selling foreign currencies, losses from foreign exchange differences and payment discounts.

2.25 Selling expenses

Selling expenses represent expenses that are incurred in the process of selling products, goods, and providing services, which mainly include publicity, display, promotions, advertising expenses, maintenance charges, packaging, and transportation.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.26 General and administration expenses

General and administration expenses represent expenses for administrative purposes which mainly include salary expenses of administrative staff (salaries, wages, allowances, etc.); social insurance, medical insurance, labour union fees, unemployment insurance of administrative staff, expenses of office materials, tools and supplies, depreciation and amortization of fixed assets used for administration, land rental, licence tax, provision for bad debts, outside services and other expenses.

2.27 Current and deferred income tax

Income taxes include all income taxes which are based on taxable profits including profits generated from production and trading activities in other countries with which the Socialist Republic of Vietnam has not signed any double taxation agreement. Income tax expense comprises current tax expense and deferred tax expense.

Current income tax is the amount of income taxes payable or recoverable in respect of the current year taxable profits at the current period/year tax rates. Current and deferred tax should be recognised as an income or an expense and included in the profit or loss of the period/year, except to the extent that the tax arises from a transaction or event which is recognised, in the same or a different period, directly in equity.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the interim consolidated financial statements. Deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of occurrence affects neither the accounting nor the taxable profit or loss. Deferred income tax is determined at the tax rates that are expected to apply to the financial year when the asset is realised or the liability is settled, based on tax rates that have been enacted or substantively enacted by the interim consolidated balance sheet date.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

2.28 Related parties

Enterprises and individuals that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the Corporation, including holding companies, subsidiaries and fellow subsidiaries are related parties of the Corporation. Associates and individuals owning, directly or indirectly, an interest in the voting power of the Corporation that gives them significant influence over the Corporation, key management personnel, including Chairman, directors of the Corporation and close members of the family of these individuals and companies associated with these individuals also constitute related parties.

In considering the related party relationship, the Corporation considers the substance of the relationship not merely the legal form.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.29 Segment reporting

A segment is a component which can be separated by the Corporation engaged in providing products or services (business segment), or providing products or services within a particular economic environment (geographical segment). Each segment is subject to risks and returns that are different from those of other segments. A reportable segment is the Corporation's business segment.

Segment reporting is prepared and presented in accordance with accounting policies applied to the preparation and presentation of the Corporation's interim consolidated financial statements in order to help users of interim consolidated financial statements to understand and evaluate the situation the operations of the Corporation in a comprehensive way.

2.30 Accounting estimates

The preparation of interim consolidated financial statements in conformity with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on preparation and presentation of the interim consolidated financial statements requires the Chairman to make estimates and assumptions that affect the reported amounts of assets, liabilities and disclosures of contingent assets and liabilities at the date of the interim consolidated financial statements and the reported amounts of revenues and expenses during the financial year/period. Although these accounting estimates are based on the Chairman' best knowledge, actual results may differ from those estimates and assumptions.

3 BUSINESS COMBINATION

Acquisition of Green Technology

As at 8 May 2019, PSD, a subsidiary of the Corporation, completed its acquisition of new shares issued by Green Technology, accordingly, obtained 50% ownership and voting rights in Green Technology with a consideration of VND10,000,000,000 (Note 1).

This business combination impacts to the net assets of the Corporation at the acquisition date as follows:

	Book value at acquisition date VND	Fair value adjustment VND	Fair value recognised at acquisition date VND
Assets			
Cash and cash equivalents	10,828,078,757	-	10,828,078,757
Short-term trade accounts receivable	23,582,633,407	-	23,582,633,407
Other short-term receivables	1,985,090,197	11,689,195,735	13,674,285,932
Inventories	12,235,792,051	-	12,235,792,051
Other current assets	2,216,146,589	-	2,216,146,589
Fixed assets	113,649,401	-	113,649,401
Long-term assets in progress	11,689,195,735	(11,689,195,735)	-
Other long-term assets	87,663,073	-	87,663,073
	62,738,249,210		**62,738,249,210**
Liabilities			
Short-term trade accounts payable	5,687,772,912	-	5,687,772,912
Other short-term payables	1,909,145,318	-	1,909,145,318
Short-tem borrowings	34,219,119,536	-	34,219,119,536
Other short-term liabilities	922,211,444	-	922,211,444
	42,738,249,210		**42,738,249,210**
Net assets	**20,000,000,000**		**20,000,000,000**
Goodwill			-
Non-controlling interests (Note 26)			(10,000,000,000)
Total consideration in cash			10,000,000,000
Net cash outflow on acquisition			(10,000,000,000)

4 CASH AND CASH EQUIVALENTS

	30.6.2019 VND	31.12.2018 VND
Cash on hand	10,205,572,164	6,239,434,885
Cash at banks (*)	279,344,094,906	342,512,075,807
Cash equivalents (**)	241,904,163,904	689,529,698,770
	531,453,830,974	1,038,281,209,462

(*) As at 30 June 2019, included in cash at bank is VND1billion which was transferred by PSA from the assets recovered from Ha Noi Oil and Gas Trading Services One Member Company Limited upon the liquidation of this company. Currently, the Corporation is working with the relevant parties to determine the right and obligations of this amount.

(**) Cash equivalents represent bank term deposits with an original maturity of three months or less at commercial banks and earn interest at the average rates from 4.5% to 5.5% per annum (year 2018: 4.5% to 5.5% per annum).

As at 30 June 2019 and as at 31 December 2018, included in above cash equivalents are two term deposits amounting to VND29,600,000,000 and VND13,000,000,000, respectively, which were pledged as collateral assets for the deferred revenue advanced from Nghi Son Refinery and Petrochemical Limited Liability Company.

5 INVESTMENTS

(a) Investments held-to-maturity

	30.6.2019		31.12.2018	
	Cost VND	Book value VND	Cost VND	Book value VND
Term deposits	30,168,051,740	30,168,051,740	28,011,800,000	28,011,800,000

Term deposits represent bank deposits in VND with the remaining maturity of less than 12 months and earn interest at the average rates from 5.1% to 8% per annum (year 2018: 5.1% - 8% per annum).

As at 30 June 2019 and 31 December 2018, included in term deposits is a term deposit of VND10 billion which was pledged as a collateral asset for the Corporation's borrowings (Note 23).

5 INVESTMENTS (continued)

(b) Investments in associates

Details of investments in associates are presented as follows:

	30.6.2019				31.12.2018			
	Cost VND	Book value VND	Fair value VND	Provision VND	Cost VND	Book value VND	Fair value VND	Provision VND
Petro Tower Limited Company	14,359,957,249	15,126,006,721	(*)	-	14,359,957,249	15,474,289,268	(*)	-
Vietecom Digital Trade and Investment Joint Stock Company	853,268,080	-	(*)	-	853,268,080	-	(*)	-
Vinh Hoa Emerald Bay International Hospitality Company Limited	16,000,000,000	16,000,000,000	(*)	-	-	-	(*)	-
	31,213,225,329	31,126,006,721		-	15,213,225,329	15,474,289,268		-

(*) As at 30 June 2019 and 31 December 2018, the fair value of investments in other entities was not available as these entities are long-term investments, which have not been listed on the Stock Exchange.

Movements in investments in associates during the period/year are as follows:

	For the six-month period ended 30.6.2019 VND	For the year ended 31.12.2018 VND
As at 1 January 2019	15,474,289,268	16,441,621,150
Investment in the period	16,000,000,000	-
Share of loss for the period/year	(348,282,547)	(967,331,882)
As at 30 June 2019	31,126,006,721	15,474,289,268

5 INVESTMENTS (continued)

(c) Investments in other entities

Details of investments in other entities are presented as follows:

	30.6.2019			31.12.2018		
	Cost VND	Fair value VND	Provision VND	Cost VND	Fair value VND	Provision VND
PetroVietnam Central Biofuels Joint Stock Company	2,000,000,000	(*)	(2,000,000,000)	2,000,000,000	(*)	(2,000,000,000)
Coolpad Vietnam Company Limited	20,160,000,000	(*)	(20,160,000,000)	20,160,000,000	(*)	(20,160,000,000)
Vietnam - Korea Petroleum Industrial Gas Joint Stock Company	7,290,000,000	(*)	-	6,750,000,000	(*)	-
	29,450,000,000		(22,160,000,000)	28,910,000,000		(22,160,000,000)

(*) As at 30 June 2019 and 31 December 2018, the fair value of investments in other entities was not available as these entities are long-term investments, which have not been listed on the Stock Exchange.

6 SHORT-TERM TRADE ACCOUNTS RECEIVABLE

	30.6.2019 VND	31.12.2018 VND
Third parties		
Mobile World Joint Stock Company	*92,609,038,202*	*123,121,611,348*
Icool Technology Company Limited	*73,657,133,467*	*73,657,133,467*
Coolpad Vietnam Company Limited	*42,965,708,261*	*42,965,708,261*
Others	*1,088,781,826,316*	*1,073,015,497,922*
	1,298,013,706,246	1,312,759,950,998
Related parties (Note 41(b))	185,123,967,401	289,577,652,341
	1,483,137,673,647	1,602,337,603,339

7 SHORT-TERM PREPAYMENTS TO SUPPLIERS

	30.6.2019 VND	31.12.2018 VND
Third parties		
Global Consulting and Mechanical Services LLC (*)	*118,244,415,854*	*119,000,391,587*
Tan Lien Phat Investment and Construction Joint Stock Company	*42,662,223,802*	*42,662,223,802*
Others	*46,731,075,849*	*32,050,558,947*
	207,637,715,505	193,713,174,336

(*) In 2017, POTS, a subsidiary of the Corporation, signed a service contract and received an advance of VND232 billion from a customer. At the same time, POTS also made prepayments to the above suppliers to perform the services required. The service is performed from the contract signing date to the year 2022. As at 30 June 2019, the amount of short-term prepayments to suppliers represents the outstanding amount to be net off in the next 12 months.

8 OTHER SHORT-TERM RECEIVABLES

	30.6.2019 VND	31.12.2018 VND
Trade discounts receivable from suppliers	42,079,813,633	58,447,866,826
Interest income receivable	808,775,342	2,516,436,679
Trade support receivables from suppliers	62,371,632,593	68,874,097,135
Deposits	27,265,482,795	25,973,800,000
Others	48,297,021,945	31,821,032,222
	180,822,726,308	187,633,232,862

9 PROVISION FOR DOUBTFUL DEBTS – SHORT-TERM

	30.6.2019				31.12.2018			
	Cost VND	Recoverable amount VND	Provision VND	Number of overdue days	Cost VND	Recoverable amount VND	Provision VND	Number of overdue days
Total receivables that are past due	264,851,018,830	121,059,003,478	(144,197,379,121)	Over 6 months and under 5 years	239,186,171,003	102,638,833,820	(136,547,337,183)	Over 6 months and under 5 years

10 INVENTORIES

	30.6.2019		31.12.2018	
	Cost VND	Provision VND	Cost VND	Provision VND
Real estate for sales (*)	23,015,664,445	-	32,450,512,124	-
Goods in transit	45,426,948,035	-	118,592,796,571	-
Raw materials	2,856,384,315	-	1,351,239,429	-
Tools and supplies	778,119,755	-	2,457,765,976	-
Merchandises	969,611,941,900	(18,762,123,932)	816,546,887,425	(28,320,748,915)
Finished goods	55,032,277	-	19,074,107	-
Goods on consignment	61,113,431,501	(3,319,158,830)	62,708,511,296	-
	1,102,857,522,228	(22,081,282,762)	1,034,126,786,928	(28,320,748,915)

(*) Real estate for sales represents the costs directly attributable to the residential areas of 41D Vung Tau Project at 41D, 30/4 Street, Ward 9, Vung Tau City (" the 41D Vung Tau Project").

Movements in the provision for decline in value of inventories during the period/year are as follows:

	For the six-month period ended 30.6.2019 VND	For the year ended 31.12.2018 VND
Beginning of period/year	28,320,748,915	16,259,578,785
(Reversal)/increase	(6,239,466,153)	12,061,170,130
End of period/year	22,081,282,762	28,320,748,915

11 TAXES AND OTHER RECEIVABLES FROM AND OTHER PAYABLES TO THE STATE BUDGET

(a) Taxes and other receivables from the State Budget

	30.6.2019 VND	31.12.2018 VND
VAT to be reclaimed	229,282,584,817	400,786,975,549
Overpaid BIT	466,067,954	128,675,472
Overpaid personal income tax	733,345,204	617,230,461
Others	1,014,993,573	1,380,925,963
	231,496,991,548	402,913,807,445

11 TAXES AND OTHER RECEIVABLES FROM AND OTHER PAYABLES TO THE STATE BUDGET (continued)

(b) Taxes and other payables to the State Budget

	30.6.2019 VND	31.12.2018 VND
VAT	8,307,887,844	7,814,553,202
BIT	11,162,534,590	18,963,055,991
Personal income tax	5,864,471,108	3,024,128,711
Other taxes	714,471,276	-
	26,049,364,818	29,801,737,904

11 TAXES AND OTHER RECEIVABLES FROM AND OTHER PAYABLES TO THE STATE BUDGET (continued)

Movements of taxes and other receivables from and other payables to the State Budget during the period are as follows:

		As at 1.1.2019 VND	Receivables/payables during the period VND	Amount refunded and paid during the period VND	Net-off amount during the period VND	Reclassification VND	As at 30.6.2019 VND
(a)	**Receivables**						
	VAT to be reclaimed (*)	400,786,975,549	215,399,012,472	(194,860,780,771)	(192,042,622,433)	-	229,282,584,817
	Overpaid BIT	128,675,472	-	-	(128,675,472)	466,067,954	466,067,954
	Overpaid personal income tax	617,230,461	-	-	(617,230,461)	733,345,204	733,345,204
	Others	1,380,925,963	-	-	(1,380,365,963)	1,014,433,573	1,014,993,573
		402,913,807,445	215,399,012,472	(194,860,780,771)	(194,168,894,329)	2,213,846,731	231,496,991,548
(b)	**Payables**						
	BIT	18,963,055,991	20,157,709,039	(28,295,622,922)	(128,675,472)	466,067,954	11,162,534,590
	Personal income tax	3,024,128,711	23,448,431,499	(20,724,203,845)	(617,230,461)	733,345,204	5,864,471,108
	Others	-	100,164,484,964	(99,084,081,298)	(1,380,365,963)	1,014,433,573	714,471,276
	VAT	7,814,553,202	290,773,626,153	(98,237,669,078)	(192,042,622,433)	-	8,307,887,844
		29,801,737,904	434,544,251,655	(246,341,577,143)	(194,168,894,329)	2,213,846,731	26,049,364,818

(*) As at 30 June 2019, included in VAT to be reclaimed is the amount of VAT that the Corporation has submitted the refund application of VND70.9 billion (as at 31 December 2018: VND265.7 billion) and is awaiting for the results from tax authorities.

12 FIXED ASSETS

(a) Tangible fixed assets

	Buildings and structures VND	Machinery and equipment VND	Motor vehicles VND	Office equipment VND	Total VND
Historical cost					
At as 1 January 2019	99,698,720,422	89,010,638,713	125,046,085,544	14,108,490,401	**327,863,935,080**
New purchases	224,104,251	4,114,369,526	1,547,141,145	394,071,862	**6,279,686,784**
Arising from business combination	-	-	1,974,264,000	-	**1,974,264,000**
Disposals	-	-	(901,237,273)	(1,335,230,380)	**(2,236,467,653)**
As at 30 June 2019	99,922,824,673	93,125,008,239	127,666,253,416	13,167,331,883	**333,881,418,211**
Accumulated depreciation					
At as 1 January 2019	61,215,381,454	73,169,522,383	92,238,658,016	13,246,511,807	**239,870,073,660**
Charge for the period	2,055,230,049	2,710,327,831	5,492,232,453	311,094,932	**10,568,885,265**
Arising from business combination	-	-	1,860,614,599	-	**1,860,614,599**
Disposals	-	-	(769,368,985)	(1,269,246,380)	**(2,038,615,365)**
As at 30 June 2019	63,270,611,503	75,879,850,214	98,822,136,083	12,288,360,359	**250,260,958,159**
Net book value					
At as 1 January 2019	38,483,338,968	15,841,116,330	32,807,427,528	861,978,594	**87,993,861,420**
As at 30 June 2019	36,652,213,170	17,245,158,025	28,844,117,333	878,971,524	**83,620,460,052**

Historical cost of fully depreciated tangible fixed assets but still be in use as at 30 June 2019 was VND147.1 billion (as at 31 December 2018: VND119.7 billion).

12 FIXED ASSETS (continued)

(b) Intangible fixed assets

	Land use rights VND	Software VND	Total VND
Historical cost			
At as 1 January 2019	101,988,494,434	4,871,690,198	**106,860,184,632**
New purchases	-	219,650,000	**219,650,000**
As at 30 June 2019	101,988,494,434	5,091,340,198	**107,079,834,632**
Accumulated amortisation			
At as 1 January 2019	-	4,357,318,959	**4,357,318,959**
Charge for the period	-	200,057,263	**200,057,263**
As at 30 June 2019	-	4,557,376,222	**4,557,376,222**
Net book value			
At as 1 January 2019	101,988,494,434	514,371,239	**102,502,865,673**
As at 30 June 2019	101,988,494,434	533,963,976	**102,522,458,410**

Historial cost of fully amortised intangible fixed assets but still be in use as at 30 June 2019 was VND3.4 billion (as at 31 December 2018: VND2.87 billion).

13 INVESTMENT PROPERTIES

	Land use rights VND	Buildings and structures VND	Total VND
Historical cost			
As at 1 January 2019 and 30 June 2019	6,120,000,000	852,074,158,578	**858,194,158,578**
Accumulated depreciation			
As at 1 January 2019	2,198,213,790	97,567,129,859	**99,765,343,649**
Charge for the period	306,000,000	20,405,977,972	**20,711,977,972**
As at 30 June 2019	2,504,213,790	117,973,107,831	**120,477,321,621**
Net book value			
As at 1 January 2019	3,921,786,210	754,507,028,719	**758,428,814,929**
As at 30 June 2019	3,615,786,210	734,101,050,747	**737,716,836,957**

13 INVESTMENT PROPERTIES (continued)

Investment properties mainly include:

- The buildings and structures related to the living quarters of Nghi Son Refinery and Petrochemical Complex project ("Nghi Son Project") being constructed and held for lease by the parent Company; and
- The land use right being held for lease by PSMT.

As at 30 June 2019 and 31 December 2018, all investment properties have been pledged as collateral assets for the Corporation's borrowings (Note 23).

In the first six month of 2019, revenue incurred from investment properties was VND60,194,117,659 (the first six month of 2018: VND61,459,017,118).

The Corporation was unable to collect sufficient information of similar properties as a basis for fair value comparison, therefore fair value of the investment properties as at 30 June 2019 has not been disclosed in the interim consolidated financial statements. However, given the occupancy rate of these properties, in the view of the Chairman, the market value of these properties is higher than the net book values at the period/year end consolidated balance sheet date.

14 CONSTRUCTION IN PROGRESS

Details of construction in progress are presented as follows:

	30.6.2019 VND	31.12.2018 VND
Cape Pearl Project	37,509,649,278	37,503,649,278
Others	1,008,844,876	1,008,844,876
	38,518,494,154	38,512,494,154

Movements of construction in progress during the period/year are as follows:

	For the six-month period ended 30.6.2019 VND	For the year ended 31.12.2018 VND
Beginning of period/year	38,512,494,154	102,728,014,308
New purchases	6,000,000	331,223,002
Reclassification to inventories	-	(64,546,743,156)
End of period/year	38,518,494,154	38,512,494,154

15 LONG - TERM PREPAID EXPENSES

Details of long - term prepaid expenses are as follows:

	30.6.2019 VND	31.12.2018 VND
Office rental (*)	97,983,839,431	99,171,522,333
Gas cylinders	49,352,235,630	48,402,203,601
Tools and supplies	21,794,912,249	20,572,583,834
Others	30,297,653,782	30,383,757,751
	199,428,641,092	198,530,067,519

(*) The amount includes the prepayment to PVN for office leasing. This prepaid office rental expense is allocated to the interim consolidated income statement on a straight-line basis over a period of 50 years from 2010.

Movements in long-term prepaid expenses during the period/year are as follows:

	For the six-month period ended 30.6.2019 VND	For the year ended 31.12.2018 VND
Beginning of period/year	198,530,067,519	213,430,498,636
Additions	11,225,400,056	11,940,116,106
Allocation during the period/year	(10,326,826,483)	(26,840,547,223)
End of period/year	199,428,641,092	198,530,067,519

16 DEFERRED INCOME TAX

Deferred income tax assets and deferred income tax liabilities are offseting when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes relate to the same taxation authority.

Details of deferred income tax are as follows:

	30.6.2019 VND	31.12.2018 VND
Deferred income tax assets:		
Deferred income tax assets to be recovered within 12 months	-	3,310,854,521
Deferred tax income liabilities:		
Deferred income tax liabilities to be recovered within 12 months	3,300,000,000	3,300,000,000

16 DEFERRED INCOME TAX (continued)

The gross movements in deferred income tax during the period/year are as follows:

	For the six-month period ended 30.6.2019 VND	For the year ended 31.12.2018 VND
Deferred income tax assets	3,310,854,521	-
Deferred income tax liabilities	(3,300,000,000)	(3,300,000,000)
Beginning of period/year	10,854,521	(3,300,000,000)
Interim consolidated income statement (charged)/credited (Note 38)	(3,310,854,521)	3,310,854,521
End of period/year	(3,300,000,000)	10,854,521
In which:		
Deferred income tax assets	-	3,310,854,521
Deferred income tax liabilities	(3,300,000,000)	(3,300,000,000)

Deferred income tax assets and deferred income tax liabilities are mainly arisen from the temporary differences relating provisions made by the parent Company and its subsidiaries in consolidation.

The Corporation uses tax rate of 20% to determine deferred income tax assets and deferred income tax liabilities.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Tax losses of the Corporation's subsidiaries can be carried forward to offset against future taxable income for a maximum period of no more than five consecutive years from the year right after the year in which the loss was incurred. The actual amount of tax losses that can be carried forward is subject to review and approval of the tax authorities and may be different from the figures presented. However, the Corporation did not recognise deferred income tax asset as the realisation of the related tax benefit through its subsidiaries' future taxable income currently cannot be assessed as probable.

17 GOODWILL

	For the six-month period ended 30.6.2019 VND	For the year ended 31.12.2018 VND
Beginning of period/year	12,243,060,000	13,773,442,500
Allocation (Note 36)	(765,191,250)	(1,530,382,500)
End of period/year	11,477,868,750	12,243,060,000

As at 30 June 2019 and 31 December 2018, goodwill arises from the purchase of Binh Minh Electronics Refrigeration Joint Stock Company.

18 SHORT-TERM TRADE ACCOUNTS PAYABLE

	30.6.2019 VND	31.12.2018 VND
Third parties		
Samsung Electronics Vietnam Thai Nguyen Company Limited	*222,040,017,100*	*70,491,782,900*
Microsoft Regional Sales Corporation	*75,467,916,684*	*57,761,717,651*
Dell Global B.V. (Singapore Branch)	*24,715,034,004*	*199,526,352,550*
Others	*360,347,950,327*	*626,900,455,933*
	682,570,918,115	954,680,309,034
Related parties (Note 41(b))	439,414,233,047	473,414,947,179
	1,121,985,151,162	1,428,095,256,213

As at 30 June 2019 and 31 December 2018, the Chairman believes that the Corporation has no doubt on its ability to fully repay the short-term trade accounts payable as and when they fall due, there was no balance of short-term trade accounts payable which was past due.

19 SHORT-TERM ADVANCES FROM CUSTOMERS

	30.6.2019 VND	31.12.2018 VND
Third parties	14,988,392,843	10,809,235,647
Related parties (Note 41(b))	101,248,127,232	78,540,531,090
	116,236,520,075	89,349,766,737

20 SHORT-TERM ACCRUED EXPENSES

	30.6.2019 VND	31.12.2018 VND
Warehouse rental and transportation	5,395,032,986	10,274,515,709
Interest expense	5,475,215,558	8,490,392,082
Allowances for employees	4,668,268,600	474,089,660
Others	11,275,780,278	9,106,500,233
	26,814,297,422	28,345,497,684

21 UNEARNED REVENUE

(a) Short-term

	30.6.2019 VND	31.12.2018 VND
Advanced rental (*)	27,272,727,273	27,272,727,273
Others	555,711,831	4,597,443,913
	27,828,439,104	31,870,171,186

(b) Long-term

	30.6.2019 VND	31.12.2018 VND
Advanced rental (*)	34,090,909,115	47,727,272,747

(*) The balance represents the advance payment received from Nghi Son Refinery and Petrochemical Company Limited for leasing of living quarters and provision of other services to Nghi Son Project (Note 13).

22 OTHER PAYABLES

(a) Short-term

	30.6.2019 VND	31.12.2018 VND
Payable for usage funds under business activity requirement	4,704,320,176	4,729,320,176
Trade discounts payable to customers	32,802,978,815	33,059,818,886
Dividends payable (Note 28)	9,519,299,934	37,683,689,120
Payables for trade accounts receivable's insurance	44,590,090,748	44,590,090,748
Others	80,825,718,450	59,350,993,762
	172,442,408,123	179,413,912,692

22 OTHER PAYABLES (continued)

(b) Long-term

	30.6.2019 VND	31.12.2018 VND
Gas cylinders deposits (*)	26,195,565,073	27,872,772,164
Deposits	15,724,120,122	18,791,253,958
Payable to Ba Ria - Vung Tau Province State Treasury (**)	7,449,088,575	7,030,627,285
Others	1,374,991,509	940,518,269
	50,743,765,279	54,635,171,676

(*) Gas cylinders' deposits received from customers are allocated into the interim consolidated income statement on a straight-line basis over 10 years, which is in line with allocation of the long-term prepayments of gas cylinders (Note 2.13), following Circular No. 118/2010/TT-BTC dated 10 August 2010 issued the Ministry of Finance – *Guidance on the financial and taxation regimes to entities trading liquefied petroleum gas.*

(**) The balance represents rental fee payable to Ba Ria - Vung Tau Province State Treasury relating to a land rental contract.

23 BORROWINGS

(a) Short-term

Short-term borrowings represent outstanding borrowings from banks and from individuals. Details are as follows:

	As as 1.1.2019 VND	Drawdowns during the period VND	Repayments during the period VND	Reclassification VND	As at 30.6.2019 VND
Joint Stock Commercial Bank for Foreign Trade of Vietnam	209,290,236,950	485,542,682,574	(348,689,445,348)	-	346,143,474,176
ANZ Bank Vietnam Limited	407,904,543,961	-	(407,904,543,961)	-	-
Military Commercial Joint Stock Bank	434,735,344,254	385,444,221,245	(585,918,129,052)	-	234,261,436,447
Joint Stock Commercial Bank for Foreign Trade of Vietnam	48,669,089,968	652,608,879,262	(543,181,915,491)	-	158,096,053,739
HSBC Bank Vietnam Limited	391,201,759,866	778,682,553,907	(779,823,894,540)	-	390,060,419,233
Vietnam Technological and Commercial Joint Stock Bank	82,000,000,000	351,200,000,000	(388,200,000,000)	-	45,000,000,000
Asia Joint Stock Commercial Bank (Note 23(b))	28,572,727,562	-	(14,961,326,740)	14,510,454,786	28,121,855,608
Vietnam International Joint Stock Commercial Bank	-	27,410,669,600	-	-	27,410,669,600
Vietnam Public Joint Stock Commercial Bank	11,917,055,159	-	(8,500,000,000)	-	3,417,055,159
Individual borrowings	-	4,838,450,000	(500,000,000)	-	4,338,450,000
	1,614,290,757,720	2,685,727,456,588	(3,077,679,255,132)	14,510,454,786	1,236,849,413,962

Borrowings from banks were made in the forms of credit limit contracts or letters of credit.

As at 30 June 2019, collateral assets of these borrowings are as follows:

- Guarantee commitments of the parent Company for its subsidiaries' borrowings with the value of VND4,098 billion and USD20 million (as at 31 December 2018: VND3,812.6 billion and USD30 million (Note 42(c));
- Land use rights at 274 Xo Viet Nghe Tinh Street, Ward 25, Binh Thanh District and at 8E Luong Huu Khanh Street, Pham Ngu Lao Ward, District 1; and
- A part of term deposits (Note 5(a)).

The interest rates are announced by the banks at drawndown dates or adjusted from time to time which are announced by the banks.

23 BORROWINGS (continued)

(b) Long-term

	As at 1.1.2019 VND	Drawdowns during the period VND	Repayments during the period VND	Reclassification VND	As at 30.6.2019 VND
Asia Joint Stock Commercial Bank	279,910,424,775	-	-	(14,510,454,786)	265,399,969,989

The borrowings with Asia Joint Stock Commercial Bank have credit limit of VND400 billion and bear interest at the rates adjustable from time to time which are announced by this bank.

The purpose of borrowings are to finance the construction of Nghi Son Project. The term is 9 years from 2016 and the borrowings are secured by assets formed from Nghi Son Project; rights arising from land rental contracts; receivables and other rights arising from the lease agreement at Nghi Son Project; and 5,345,200 shares of PSA owned by the Corporation.

Interest expense relating to Nghi Son Project before the completion date of Nghi Son Project had been capitalised in the value of the investment properties. From 10 October 2016, since Nghi Son Project was put into operation, interest expense is reimbursed by Nghi Son Refinery and Petrochemical Company Limited, the lessee of Nghi Son Project.

24 BONUS AND WELFARE FUND

	For the six-month period ended 30.6.2019 VND	For the year ended 31.12.2018 VND
Beginning of period/year	74,486,291,576	67,424,459,272
Appropriation from undistributed earnings of previous years	4,511,149,927	9,339,706,251
Appropriation from undistributed earnings of current period	2,060,927,514	8,333,602,990
Arising from businesses combination	236,340,501	-
Utilisation	(5,498,884,150)	(10,611,476,937)
End of period/year	75,795,825,368	74,486,291,576

25 OWNERS' CAPITAL

(a) Number of shares

	30.6.2019		31.12.2018	
	Ordinary shares	Preference shares	Ordinary shares	Preference shares
Number of shares registered	86,600,124	-	86,600,124	-
Number of shares issued	86,600,124		86,600,124	
Number of shares repurchased	(1,590,310)	-	(1,590,310)	-
Number of existing shares in circulation	85,009,814	-	85,009,814	-

(b) Details of owners' shareholding

	30.6.2019		31.12.2018	
	Ordinary shares	%	Ordinary shares	%
PVN	20,973,851	24.7	20,973,851	24.7
Other shareholders	64,035,963	75.3	64,035,963	75.3
Number of shares issued	85,009,814	100	85,009,814	100

25 OWNERS' CAPITAL (continued)

(c) Movement of share capital

	Number of shares	Ordinary shares VND	Preference shares VND	Total VND
As at 1 January 2018	86,600,124	866,001,240,000	-	**866,001,240,000**
New shares issued	-	-	-	**-**
As at 31 December 2018	86,600,124	866,001,240,000	-	**866,001,240,000**
New shares issued	-	-	-	**-**
As at 30 June 2019	86,600,124	866,001,240,000	-	**866,001,240,000**

Par value per share: VND10,000.

26 MOVEMENTS IN OWNERS' EQUITY

	Owners' capital VND	Share premium VND	Owners' other capital	Treasury shares VND	Investment and development fund VND	Undistributed earnings VND	Total VND	Non-controlling interests VND	Total capital and reserves VND
As at 1 January 2018	866,001,240,000	133,918,052,614	56,740,087,775	(35,523,322,342)	172,453,174,126	303,178,676,162	1,496,767,908,335	163,812,852,269	**1,660,580,760,604**
Net profit for the year	-	-	-	-	-	113,081,223,363	113,081,223,363	16,861,274,457	**129,942,497,820**
Appropriation to bonus and welfare fund	-	-	-	-	-	(15,267,255,570)	(15,267,255,570)	(2,406,053,671)	**(17,673,309,241)**
Repurchase of issued shares	-	-	-	(14,595,110,632)	-	-	(14,595,110,632)	-	**(14,595,110,632)**
Dividends paid	-	-	34,080,000,000	-	-	(135,936,890,213)	(101,856,890,213)	(35,988,398,831)	**(137,845,289,044)**
Change in ownership	-	-	-	-	-	(768,418,152)	(768,418,152)	768,418,152	**-**
As at 1 January 2019	866,001,240,000	133,918,052,614	90,820,087,775	(50,118,432,974)	172,453,174,126	264,287,335,590	1,477,361,457,131	143,048,092,376	**1,620,409,549,507**
Capital increased during the period (*)	-	-	-	-	-	-	-	3,400,000,000	**3,400,000,000**
Net profit for the period	-	-	-	-	-	61,779,461,026	61,779,461,026	15,337,087,524	**77,116,548,550**
Appropriation to bonus and welfare fund (**)	-	-	-	-	-	(5,992,540,076)	(5,992,540,076)	(579,537,365)	**(6,572,077,441)**
Appropriation to investment and development fund (***)	-	-	-	-	100,000,000,000	(100,000,000,000)	-	-	**-**
Dividends paid	-	-	-	-	-	(83,294,186,465)	(83,294,186,465)	(352,005,035)	**(83,646,191,500)**
Increase from business combination	-	-	-	-	-	-	-	10,000,000,000	**10,000,000,000**
Change in ownership	-	-	59,912,225	-	(285,882,826)	(2,341,520,659)	(2,567,491,260)	2,567,491,260	**-**
As at 30 June 2019	866,001,240,000	133,918,052,614	90,880,000,000	(50,118,432,974)	272,167,291,300	134,438,549,416	1,447,286,700,356	173,421,128,760	**1,620,707,829,116**

(*) Capital increased during year 2019 include capital increased by cash and capital increased by undistributed earnings.

(**) Bonus and welfare fund is appropriated from the 2018 net profit after tax and 2019 planned profit after tax upon approval of shareholders at the Annual General Meeting.

(***) According to the Resolution No.13/NQ-DVTHDK-ĐHĐCĐ dated 26 April 2019, the Corporation's General Shareholders approved the appropriation to the investment and development fund of VND100,000,000,000.

27 NON-CONTROLLING INTERESTS

Details of non-controlling interests are as follows:

	30.6.2019 VND	31.12.2018 VND
Owners' capital	181,244,598,000	171,665,773,000
Owners' other capital (*)	26,086,160,000	22,686,160,000
Treasury shares	(1,170,000,000)	(1,170,000,000)
Investment and development fund	7,366,690,987	7,080,808,161
Undistributed earnings	(40,106,320,227)	(57,214,648,785)
	173,421,128,760	143,048,092,376

(*) As at 30 June 2019, included in owners' other capital is the capital increased by undistributed earnings in the first six months of 2019 amounted VND3,400,000,000.

28 DIVIDENDS

	For the six-month period ended 30.6.2019 VND	For the year ended 31.12.2018 VND
Beginning of period/year	37,683,689,120	22,777,755,034
Dividends payable during the period/year (Note 26)	83,646,191,500	180,372,959,044
Stock dividends	-	(42,527,670,000)
Dividends paid in cash	(109,570,590,041)	(120,145,639,161)
Other decreases	(2,239,990,645)	(2,793,715,797)
End of period/year (Note 22(a))	9,519,299,934	37,683,689,120

29 BASIC EARNINGS PER SHARE AND DILUTED EARNINGS PER SHARE

(a) Basic earnings per share

Basic earnings per share is calculated by dividing the net profit attributable to shareholders after deducting the bonus and welfare fund by the weighted average number of ordinary shares outstanding during the period/year, excluding ordinary shares repurchased by the parent Company and held as treasury shares:

	For the six-month period ended 30 June	
	2019 VND	2018 VND
Net profit after tax attributable to the shareholders	61,779,461,026	61,346,420,933
Less appropriation to bonus and welfare fund (*)	(3,365,694,352)	(5,219,699,514)
Net profit for the period attributable to the shareholders	58,413,766,674	56,126,721,419
Weighted average number of ordinary shares in issue (shares)	85,009,814	86,596,809
Basic earnings per share	687	648

(*) The net profit attributable to shareholders used to compute basic earnings per share for the six-month period ended 30 June 2018 was adjusted for the appropriation to bonus and welfare fund from the 2018 undistributed earnings according to the approval of shareholders at the Annual General Meeting which is attributable to the parent Company.

For the six-month period ended 30 June 2019, the Corporation has provisionally appropriated the net profit to bonus and welfare fund based on the 2019 plan approved by shareholders at the Annual General Meeting.

Basic earnings per share of the six-month period ended 30 June 2018 were recomputed as follows:

	For the six-month period ended 30.6.2018		
	As previously reported	Adjustments	As restated
Net profit attributable to shareholders (VND)	61,346,420,933	-	61,346,420,933
Actual appropriation to bonus and welfare fund	(1,299,614,709)	(3,920,084,805)	(5,219,699,514)
Net profit attributable to shareholders (VND)	60,046,806,224	(3,920,084,805)	56,126,721,419
Weighted average number of ordinary shares in issue (shares)	86,596,809	-	86,596,809
Basic earnings per share (VND)	693		648

29 BASIC EARNINGS PER SHARE AND DILUTED EARNINGS PER SHARE (continued)

(b) Diluted earnings per share

Diluted earnings per share is calculated by dividing the net profit attributable to shareholders, which already subtracted the bonus and welfare fund, by the weighted average number of ordinary shares outstanding during the period/year and the ordinary shares expected to be issued. The parent Companny has no dilutive potential ordinary shares during the period/year and up to the date of these interim consolidated financial statements.

30 OFF INTERIM CONSOLIDATED BALANCE SHEET ITEMS

(a) Foreign currencies

Included in cash and cash equivalents as at 30 June 2019 are balances held in foreign currency of USD2,690,740.16 and EUR262.79 (as at 31 December 2018: USD2,838,469.58 and EUR262.79).

(b) Operating lease assets

The future minimum lease payments under non-cancellable operating leases were presented in (Note 42(a)).

31 REVENUE FROM SALE OF GOODS AND RENDERING OF SERVICES

	For the six-month period ended 30 June	
	2019 VND	2018 VND
Revenue		
Sale of goods	4,160,671,759,513	4,144,079,747,466
Rendering of services	763,138,180,981	780,965,666,773
	4,923,809,940,494	4,925,045,414,239
Sales deductions		
Trade discounts	(26,946,295,535)	(36,792,632,412)
Sales allowances	(7,117,783,143)	(7,398,618,915)
Sales returns	(24,550,426,738)	(26,184,655,541)
	(58,614,505,416)	(70,375,906,868)
Net revenue		
Net revenue from sale of goods	4,102,057,254,097	4,073,703,840,598
Net revenue from rendering of services	763,138,180,981	780,965,666,773
	4,865,195,435,078	4,854,669,507,371

32 COST OF GOODS SOLD AND SERVICES RENDERED

	For the six-month period ended 30 June	
	2019 VND	2018 VND
Cost of merchandises sold	4,047,646,185,476	3,948,580,802,031
Cost of services rendered (*)	530,029,598,907	574,492,052,886
(Reversal)/provision for decline in value of inventories	(6,239,466,153)	8,401,201,000
	4,571,436,318,230	4,531,474,055,917

(*) Included in the cost of services rendered is the interest expense relating to Nghi Son Project, amounting to VND14.3 billion (first six months of 2018: VND14.3 billion) being refunded by Nghi Son Refinery and Petrochemical Company Limited (Note 23), the leasor of Nghi Son Project, after this project was put into operation.

33 FINANCIAL INCOME

	For the six-month period ended 30 June	
	2019 VND	2018 VND
Interest income	13,879,059,917	33,832,214,588
Realised foreign exchange gains	3,156,309,208	1,253,434,941
Penalties on late payments	228,826,295	1,476,231,411
Others	946,595,966	181,669,421
	18,210,791,386	36,743,550,361

34 FINANCIAL EXPENSES

	For the six-month period ended 30 June	
	2019 VND	2018 VND
Interest expense	34,108,684,682	47,608,710,774
Realised foreign exchange losses	781,948,242	600,058,136
Provision for diminution in value of investments	-	1,795,296,024
Net loss from foreign currency translation at period-end	720,561,114	667,833,997
Payment discounts	722,601,499	961,118,794
	36,333,795,537	51,633,017,725

35 SELLING EXPENSES

	For the six-month period ended 30 June	
	2019 VND	2018 VND
Staff costs	40,501,010,533	38,624,686,772
Transportation	15,314,284,006	13,746,066,990
Marketing	7,516,945,568	5,183,713,163
Depreciation	599,076,914	1,320,512,336
Warehouse rental	8,209,293,281	8,624,836,804
Outside services	28,237,304,715	27,687,206,527
Others	12,340,936,185	27,430,462,007
	112,718,851,202	122,617,484,599

36 GENERAL AND ADMINISTRATION EXPENSES

	For the six-month period ended 30 June	
	2019 VND	2018 VND
Staff costs	34,664,913,615	36,867,799,899
Depreciation and amortisation	2,921,001,515	4,397,549,235
Outside services	17,033,809,597	10,493,762,718
Provision for doubtful debts	7,650,041,938	24,865,834,148
Management fee paid to a related party	1,032,300,460	2,601,629,136
Goodwill allocation	765,191,250	765,191,250
Others	1,567,230,506	12,596,433,216
	65,634,488,881	92,588,199,602

37 OTHER INCOME AND OTHER EXPENSES

	For the six-month period ended 30 June	
	2019 VND	2018 VND
Other income		
Allocation of gas cylinders deposits	2,968,369,956	2,939,231,874
Contractual fines	1,119,470,556	118,789,743
Net gains on disposal of fixed assets	65,454,545	1,042,615,318
Others	1,182,679,885	741,539,552
	5,335,974,942	4,842,176,487
Other expenses		
Penalties	(878,930,041)	(613,405,210)
Fines	(23,418,688)	(277,568,081)
Others	(783,004,170)	(1,392,775,521)
	(1,685,352,899)	(2,283,748,812)
Net other income	3,650,622,043	2,558,427,675

38 BIT

The BIT on the Corporation's accounting profit before tax differs from the theoretical amount that would arise using the applicable tax rate of 20% under current tax regulations as follows:

	For the six-month period ended 30 June	
	2019 VND	2018 VND
Net accounting profit before tax	100,585,112,110	95,797,667,587
Tax calculated at a rate of 20%	20,117,022,422	19,159,533,517
Effect of:		
Income not subject to tax	-	(1,679,725,383)
Expenses not deductible for tax purposes	550,557,235	193,762,262
Tax losses for which no deferred income tax asset has been recognised	2,205,246,920	6,290,801,575
Underprovision in previous periods	595,736,983	1,557,280,063
BIT charge (*)	23,468,563,560	25,521,652,034
Charged to interim consolidated income statement:		
BIT – current	20,157,709,039	25,521,652,034
BIT – deferred (Note 16)	3,310,854,521	-
	23,468,563,560	25,521,652,034

(*) The BIT charge for the period is based on estimated taxable income and is subject to review and possible adjustments by the tax authorities.

39 COST OF OPERATION BY FACTOR

	For the six-month period ended 30 June	
	2019 VND	2018 VND
Cost of properties sold	9,434,847,679	-
Raw materials	201,796,145,762	278,475,094,121
Staff costs	243,066,159,742	252,571,808,876
Depreciation and amortisation	31,480,920,500	33,194,696,546
Goodwill allocation	765,191,250	765,191,250
(Reversal of provision)/provision for decline in value of inventories	(6,239,466,153)	8,401,201,000
Provision for doubtful debts	7,650,041,938	24,865,834,148
Outside services	87,187,920,438	287,995,464,273
Interest expense refunded	14,295,734,681	14,293,897,535
Others	13,908,166,691	40,026,895,223
	603,345,662,528	940,590,082,972

Cost of operation by factor of the Corporation represents the cost of manufacturing and services rendered of the Corporation.

40 ADDITIONAL INFORMATION FOR THE ITEMS OF THE INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

(a) Non-cash transactions affect the interim consolidated statement of cash flows

	For the six-month period ended 30 June	
	2019 VND	2018 VND
Purchase and construction of fixed assets and other long-term assets which have not been paid yet	4,315,100,420	5,304,938,872

(b) Cash held by the Corporation but restricted to use

Investments held-to-maturity of the Corporation were pledged as collateral assets for the Corporation's borrowing contracts as disclosed in Note 5(a).

(c) Amount of loans actually withdrawn during the period

	For the six-month period ended 30 June	
	2019 VND	2018 VND
Proceeds from borrowings following normal borrowing contracts	2,651,508,337,052	3,276,221,781,273

(d) Amount of loan principal actually paid during the period

	For the six-month period ended 30 June	
	2019 VND	2018 VND
Repayments for borrowings following normal borrowing contracts	3,077,679,255,132	3,486,346,438,691

41 RELATED PARTY DISCLOSURES

The largest shareholder of the Corporation is PVN, who owns 24.7% of share capital of the Corporation (Note 25).

Accordingly, PVN, fellow PVN group subsidiaries, and associates of the Corporation are considered the Corporation's related parties.

(a) Related party transactions

During the period, the following significant transactions were carried out with related parties:

	For the six-month period ended 30 June	
	2019 VND	2018 VND
i) Revenue from sales of goods and rendering of services		
PVN	63,834,289,248	64,723,713,243
Fellow PVN group subsidiaries	427,967,178,023	451,083,999,778
	491,801,467,271	515,807,713,021
ii) Purchases of goods and services		
PVN	12,334,126,552	10,338,826,400
Fellow PVN group subsidiaries	707,779,619,473	740,386,228,456
	720,113,746,025	750,725,054,856
iii) Compensation of key management		
Gross salaries and other benefits	2,539,394,368	3,178,552,585
iv) Management fees		
PVN	3,195,988,167	2,601,629,136
v) Dividend paid		
PVN	20,973,851,000	25,169,460,039

41 RELATED PARTY DISCLOSURES (continued)

(b) Period/year-end balances with related parties

	30.6.2019 VND	31.12.2018 VND
i) Short-term trade accounts receivable (Note 6)		
PVN	20,392,573,198	15,192,801,006
Fellow PVN group subsidiaries	164,731,394,203	274,384,851,335
	185,123,967,401	289,577,652,341
ii) Other short-term receivables		
PVN	397,281,179	564,093,538
Fellow PVN group subsidiaries	2,073,869,454	1,044,022,765
	2,471,150,633	1,608,116,303
iii) Short-term trade accounts payable (Note 18)		
PVN	283,180,600,786	301,669,366,269
Fellow PVN group subsidiaries	156,233,632,261	171,745,580,910
	439,414,233,047	473,414,947,179
iv) Short-term advances from customers (Note 19)		
Fellow PVN group subsidiaries	101,248,127,232	78,540,531,090
v) Short-term unearned revenue		
Fellow PVN group subsidiary	27,272,727,273	27,272,727,273
vi) Long-term unearned revenue		
Fellow PVN group subsidiaries	34,090,909,115	47,727,272,747

41 RELATED PARTY DISCLOSURES (continued)

(b) Period/year-end balances with related parties (continued)

	30.6.2019 VND	31.12.2018 VND
vii) Other short-term payables		
PVN	4,704,320,176	4,729,320,176
Fellow PVN group subsidiaries	16,051,000	17,063,173,604
	4,720,371,176	21,792,493,780
viii) Other long-term payables		
Fellow PVN group subsidiaries	-	5,207,861,036

42 COMMITMENTS

(a) Commitments under operating leases

(i) The Corporation as the leasee

The Corporation signed the operating land lease agreement over a period of 70 years from the year 2009 with the Management Board of Nghi Son Economic Zone. Accordingly, the Corporation is exempted from land use fee until 2022. Additionally, the Corporation also signed office and warehouse lease contracts with suppliers to conduct its business activities. As at 30 June 2019, the future minimum lease payments under operating lease were as follows:

	Land rental and other rental	
	30.6.2019 VND	31.12.2018 VND
Under 1 year	55,671,365,578	12,693,743,792
Between one and five years	29,429,572,677	14,938,377,131
Over five years	52,809,977,575	54,941,664,415
Total minimum payments	137,910,915,830	82,573,785,338

42 COMMITMENTS (continued)

(a) Commitments under operating leases (continued)

(ii) The Corporation as the lessor

The Corporation signed the operating lease contract related to Nghi Son Project and land lease contract. As at 30 June 2019, the future minimum lease receivables under non-cancellable operating leases were as follows:

	Operating lease	
	30.6.2019 VND	**31.12.2018 VND**
Below 1 year	144,559,684,006	137,408,413,985
From 1 to 5 years	375,620,829,970	388,013,783,137
Above 5 years	194,358,846,690	239,914,838,035
Total minimum receipts	714,539,360,666	765,337,035,157

(b) Capital contribution commitments

As at 30 June 2019, the progress of charter capital contribution commitments is as follows:

	As per Business registration certificates VND	**The Corporation's ownership (%)**	**Capital contributed as at 30.6.2019 VND**	**Capital to be contributed as at 30.6.2019 VND**
PSSSG	229,500,000,000	51	10,733,401,247	218,766,598,753
Saigon Investment Trading Technology Joint Stock Company ("ITS") (*)	20,000,000,000	40	-	20,000,000,000
Vinh Hoa Emerald Bay International Hospitality Company Limited (**)	111,200,000,000	20	16,000,000,000	95,200,000,000
	360,700,000,000		26,733,401,247	333,966,598,753

42 COMMITMENTS (continued)

(b) Capital contribution commitments (continued)

(*) According to Resolution No. 16/NQ-DVTHDK dated 29 March 2016, the Board of Management decided to invest in ITS in which the Corporation owns 40% of ITS's charter capital, equivalent to VND20 billion. As at 30 June 2019, the shareholders of ITS have not yet contributed their capital obligations.

(**) According to Resolution No. 22/DVTHDK-QD dated 9 July 2018, the Corporation agreed to contribute its capital obligation into Vinh Hoa Emerald Bay International Hospitality Company Limited with the charter capital of VND111.2 billion, accounting for 20% of the voting right and ownership. As at 30 June 2019, the Corporation contributed VND16 billion.

(c) Commitments of credit guarantees

As at 30 June 2019, the Corporation had non-cancellable guarantee commitments for borrowings from banks granted to the Corporation's subsidiaries with total amount of VND4,098 billion and USD20 million (as at 31 December 2018: VND3,812.6 billion and USD30 million); and had non-cancellable guarantee commitments for trade accounts payable of the Corporation's subsidiaries with total amount of USD7 million (as at 31 December 2018: USD7 million). Accordingly, the Corporation is liable to repayments of principals, interests, guarantee costs and other underwriting expenses to suppliers and bankers in case the Corporation's subsidiaries are not able to repay or repay on a timely manner.

(d) Other commitments

As at 30 June 2019, the Corporation had a guarantee contract amounting to VND150 billion with a commercial bank to guarantee the advanced amount received from Nghi Son Refinery and Petrochemical Company Limited.

43 SEGMENT REPORTING

Geographical segments

The Corporation does not have any operation outside the territory of Vietnam. Therefore, no geographical business segment has been presented.

Business activity segments

Information of assets and liabilities segment based on the activities of the Corporation is as follows:

	30.6.2019				
	Electronic products VND	Petroleum materials and supplies VND	Plastic resins, textile fibers and gas distribution VND	Others VND	Total VND
Total assets	2,013,950,792,600	379,019,319,793	350,754,570,780	2,089,939,958,878	**4,833,664,642,051**
Total liabilities	1,601,436,960,658	306,010,137,693	241,981,724,541	1,063,527,990,043	**3,212,956,812,935**

	31.12.2018				
	Electronic products VND	Petroleum materials and supplies VND	Plastic resins, textile fibers and gas distribution VND	Others VND	Total VND
Total assets	2,548,208,090,080	490,386,271,526	454,122,238,264	2,070,344,974,367	**5,563,061,574,237**
Total liabilities	2,076,901,583,279	450,053,811,006	348,930,222,350	1,066,766,408,095	**3,942,652,024,730**

43 SEGMENT REPORTING (continued)

Business activity segments (continued)

Information of revenue and cost of sales by business activity segment based on the activities of the Corporation is as follows:

	For the six-month ended 30 June 2019				
	Electronic products VND	Petroleum materials and supplies VND	Plastic resins, textile fibers and gas distribution VND	Others VND	Total VND
Net revenue from sales of goods and rendering of services	3,100,728,010,664	208,817,796,376	792,868,559,788	762,781,068,250	**4,865,195,435,078**
Cost of goods sold and services rendered	(2,960,602,351,371)	(166,123,895,080)	(757,640,537,151)	(687,069,534,628)	**(4,571,436,318,230)**
Gross profit from sales of goods and rendering of services	140,125,659,293	42,693,901,296	35,228,022,637	75,711,533,622	**293,759,116,848**

	For the six-month ended 30 June 2018				
	Electronic products VND	Petroleum materials and supplies VND	Plastic resins, textile fibers and gas distribution VND	Others VND	Total VND
Net revenue from sales of goods and rendering of services	2,983,373,517,993	263,134,533,108	827,426,484,497	780,734,971,773	**4,854,669,507,371**
Cost of goods sold and services rendered	(2,804,908,778,744)	(225,658,949,238)	(794,378,815,167)	(706,527,512,768)	**(4,531,474,055,917)**
Gross profit from sales of goods and rendering of services	178,464,739,249	37,475,583,870	33,047,669,330	74,207,459,005	**323,195,451,454**

44 CONTINGENT LIABILITIES

The Corporation signed land, warehouse and office lease contracts with its suppliers to conduct the business activties. According to the Civil Law No. 91/2015/QH13 dated 24 Novemeber 2015, the Corporation has to return leased property in the same condition in which it was received, except for normal wear and tear, or in the agreed condition. If the value of the leased property decreases in comparison with its condition at the time it was received, the lessor has the right to ask for compensation for any damage, except for normal wear and tear.

According to Vietnamese Accounting Standard No. 18 – *Provision and Contingent assets and liabilities* and Circular No. 200/2014/TT-BTC - *Providing guidance on Corporate Accounting System* issued by the Ministry of Finance on 24 December 2014, the Corporation is required to provide for dismantling and restoration costs of the Corporation's leased premises at the end of rental period. However, as at 30 June 2019, the Chairman has not yet come up with a reliable estimate for the dismantling and restoration costs relating to the aforementioned rental contracts. Therefore, the Corporation has not recorded a provision for dismantling costs in the interim consolidated financial statements.

The interim consolidated financial statements were approved by the Chairman on 26 August 2019.

Pham Thi Ninh	Nguyen Thi Thanh	Phung Tuan Ha
Preparer	Chief Accountant	Chairman